

EXHIBIT B

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**IN THE UNITED STATES DISTRICT COURT
IN AND FOR THE DISTRICT OF ARIZONA**

Takeover Industries, Inc., a Nevada
corporation,

Plaintiff,

v.

Michael Holley and Chirine Holley, husband
and wife; David Eisenberg and Jane Doe
Eisenberg, husband and wife;

Defendants.

**DECLARATION OF
MICHAEL COSTELLO**

I, Michael Costello, under penalty of perjury, declare and state as follows:

1. I am a United States Citizen, over the age of 18 years old, make this declaration based upon personal knowledge and, if called to testify could and would testify competently to the facts set forth herein.

2. If I were called to court to testify, I would do so consistently with this Declaration and the pleadings filed in this case.

3. I am a National Account Director and employee of Takeover Industries, and I am the appointed CEO of Labor Smart, Inc. and authorized to act for that entity.

4. Since December 2021, Takeover's Board of Directors has included only Jason Tucker, Toby McBride and Joe Pavlik. Those gentlemen, along with our team of valued employees, have continued to run Takeover despite issues with Michael Holley.

1 5. Nothing about that workflow process or the governance of Takeover
2 changed after the TRO hearing or while this litigation has been pending.

3 6. Mr. Tucker has continued to act as Takeover's President, and Mr. McBride
4 continued to act as its CFO until recently.

5 7. Since the parties appeared in Court in March, our Takeover team has been
6 working tirelessly to grow the business and research potential new products.

7 8. By May, Takeover secured an agreement with a major convenience store
8 chain to place "Gamer Shots" for sale in thousands of stores across the country, and we
9 recently won the 2022 Retailers Choice Award™ for the best energy drink.

10 9. Takeover recently landed a second national agreement, this time with a
11 large "variety store" chain, and Takeover is set to place the "Gamer Shots" product in
12 nearly **eight thousand stores** across the country.

13 10. We also recently negotiated to expand Takeover's presence in the
14 convenience store chain (mentioned above), increasing by more than five thousand
15 (5,000) additional stores.

16 11. These deals will be huge for Takeover's success, but the cost of
17 manufacturing product and investing in displays for the placement(s) in these stores
18 require a major cash outlay on the front-end of the obligations.

19 12. At this moment, Takeover is obligated to invest roughly \$3MM to secure
20 its displays and placements in the variety store(s).

21 13. I understand that Takeover also has significant financial obligations due to
22 sponsors in the next 30 days – in the amount of \$250,000, and it has additional product
23 costs in the range of \$500,000.

24 14. Takeover has been continuing to work with James Deppoleto to secure the
25 additional funds necessary to fulfill these obligations so Takeover can get profitable.
26 These agreements/placements would be our most significant brand expansion to date.

1 15. Based on the issues caused by Toby McBride and Michael Holley, and
2 specifically their recent attempt to take control of Takeover, we have lost financing
3 needed to pay/fulfill these obligations.

4 16. I have personally been involved in negotiation with the variety store chain,
5 and I was able to negotiate a very small window (to November 23rd) to full payment, or
6 the vendor intends to cancel our ability to place product in its stores.

7 17. Meanwhile, Mr. McBride continues calling, texting and emailing Takeover
8 employees and informing people he is back “in control” of Takeover and has been
9 telling the Team that Mr. Tucker is “fired” and “dishonest” (or words to this effect).

10 18. As of yesterday, we learned that Mr. McBride and Mr. Holley shut down
11 the Takeover website, leaving it “Under Construction.”

12 19. The employees of Takeover are frightened, and several have threatened to
13 leave the company. We are unsure what to do and how to report, and Takeover’s work
14 and success is hanging in the balance because of this mess.

15
16 The foregoing is declared under the penalty of perjury and executed this 10th day
17 of November 2022.

DocuSigned by:

Michael Costello

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Michael Costello